

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004

	August-04				July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	FYTD	FY04	Ended	Ended
		Actual		Net ROR		Actual		Net ROR	Net	Net	6/30/2004	6/30/2004
				Net				Net			Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	38,467	1.4%	1.5%	-0.39%	38,635	1.5%	1.5%	-5.03%	-5.40%	N/A	N/A	N/A
Total Structured Growth	38,467	1.4%	1.5%	-0.39%	38,635	1.5%	1.5%	-5.03%	-5.40%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				-0.49%				-5.65%	-6.12%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>												
LSV	41,262	1.5%	1.5%	1.42%	40,674	1.5%	1.5%	-1.21%	0.20%	30.56%	9.33%	8.36%
Russell 1000 Value				1.42%				-1.41%	-0.01%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	81,636	3.1%	3.0%	0.22%	81,496	3.1%	3.0%	-3.56%	-3.35%	N/A	N/A	N/A
Russell 1000				0.49%				-3.51%	-3.04%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	79,810	3.0%	3.0%	0.44%	79,509	3.0%	3.0%	-3.30%	-2.88%	N/A	N/A	N/A
S&P 500				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
<i>Index</i>												
State Street	24,032			0.41%	23,939			-3.32%	-2.93%	19.01%	-0.75%	-2.28%
Total Index	24,032	0.9%	1.0%	0.41%	23,939	0.9%	1.0%	-3.32%	-2.93%	19.01%	-0.75%	-2.28%
S&P 500				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	265,207	9.9%	10.0%	0.40%	264,253	9.9%	10.0%	-3.33%	-2.94%	21.46%	0.15%	-1.39%
S&P 500				0.40%				-3.31%	-2.92%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	127,123	4.8%	5.0%	-1.22%	128,789	4.8%	5.0%	-7.28%	-8.41%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-0.35%				-6.57%	-6.89%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	127,123	4.8%	5.0%	-1.22%	128,789	4.8%	5.0%	-7.28%	-8.41%	32.99%	5.54%	7.29%
Russell 2000				-0.51%				-6.73%	-7.21%	33.36%	6.24%	6.63%
CONVERTIBLES												
TCW	259,758	9.7%	10.0%	-0.55%	261,435	9.8%	10.0%	-5.05%	-5.57%	17.50%	1.03%	3.90%
First Boston Convertible Index				-0.30%				-2.49%	-2.78%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	204,217	7.6%	8.0%	0.38%	203,798	7.7%	8.0%	-3.48%	-3.11%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				0.12%				-2.80%	-2.68%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>												
Lazard	28,462	1.1%	1.0%	0.30%	28,379	1.1%	1.0%	-3.00%	-2.71%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				1.00%				-4.20%	-3.24%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>												
Vanguard	27,215	1.0%	1.0%	0.87%	26,980	1.0%	1.0%	-7.69%	-6.89%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				1.00%				-4.20%	-3.24%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	259,894	9.7%	10.0%	0.43%	259,157	9.7%	10.0%	-3.86%	-3.45%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				0.12%				-2.80%	-2.68%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	289,706	10.8%	10.0%	2.06%	284,053	10.7%	10.0%	1.24%	3.33%	2.42%	7.77%	8.10%
Lehman Aggregate				1.91%				0.99%	2.92%	0.32%	6.35%	6.95%
<i>Index</i>												
Bank of ND	372,591	13.9%	15.0%	1.66%	366,666	13.8%	15.0%	0.77%	2.43%	0.07%	7.10%	7.25%
Lehman Intermediate Gov/Credit (1)				1.67%				0.84%	2.53%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>												
Strong	161,676	6.0%	5.0%	2.39%	157,851	5.9%	5.0%	1.37%	3.79%	1.18%	N/A	N/A
Lehman US Credit BAA				2.55%				1.40%	3.99%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	823,972	30.8%	30.0%	1.94%	808,570	30.4%	30.0%	1.05%	3.01%	0.79%	7.00%	7.45%
Lehman Gov/Credit				2.12%				1.06%	3.19%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS												
Bank of ND	937,431	35.1%	35.0%	0.14%	936,170	35.2%	35.0%	0.13%	0.27%	1.20%	1.72%	3.39%
90 Day T-Bill				0.12%				0.12%	0.24%	0.98%	1.71%	3.30%
TOTAL INSURANCE REGULATORY TRUST	2,673,386	100.0%	100.0%	0.61%	2,658,373	100.0%	100.0%	-1.26%	-0.66%	9.62%	4.68%	5.21%
POLICY TARGET BENCHMARK				0.68%				-0.84%	-0.17%	7.45%	3.56%	4.12%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.